

Testimony of Joel Jacob, President and Founder, The Bottle Crew  
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Thank you for the opportunity to speak before you about my support for the Michigan Earned Income Tax Credit.

I am the Founder and President of The Bottle Crew, a vibrant business headquartered in South Eastern Michigan that serves a variety of businesses around the world by providing retail mass merchandisers and commercial manufactures with bottles, closures, and consumer products.

For instance, you may have seen our TSA approved plastic travel containers at your local Wal-Mart or Sams Club.

Today The Bottle Crew is rapidly growing with the use of new technology and innovative product developments. There have been many changes over the years, but we have never forgotten the guiding principles that have made The Bottle Crew a success.

You might wonder why a business person like me would be here today. Our company's guiding principles bring me here...at least one of them does for sure.

These four guiding principles are:

1. Respect of the individual
2. Exceeding our customer's expectations
3. Strive for excellence in everything we do

And then there is the fourth one:

4. Doing good business and good in the community at the same time.

We pride ourselves in working closely with human services agencies in our community and around the world. Here in Michigan The Bottle Crew is one of the largest contributors to Gleaners Food Bank.

You should know that one in eight Americans struggle with the reality of hunger and food insecurity. The Bottle Crew has been instrumental in allowing more food to be donated to our nation's food banks. It's a cause that our company is passionate about and me personally.

I know, from working with Gleaners and other organizations that they have been stretched to the breaking point in these tough times. They are not in a position to see thousands more families coming through their doors, looking for food, particularly for food to feed their children.

I hear from these groups that ending the Michigan Earned Income Tax Credit is going to do just that. Many of those families and children who benefit from the EITC are struggling to make ends meet. They are working families, as you know. You don't get the EITC if you don't work. And you don't get very much EITC if you only work a little.

We can talk about tax cuts making the Michigan economy grow in the next year or two, but the reality is that for those on the very bottom rungs of the economic ladder, hard working men and women laboring in minimum wage or near minimum wage jobs, things are not going to get better soon. Matter of fact I believe for these folks it is going to get worse before it gets worse.

There's no reason to expect employers who benefit from tax cuts are going to raise their pay. Supply and demand means there are plenty of people willing to work for low wages, because there just are not many jobs available in these areas. It's a catch 22: Low income workers who ask for a raise are turned down because there are plenty of other low income workers standing behind them.

And many of these workers are not highly educated. They are not going to be moving into knowledge industry jobs any time soon, although some are working and going to college at the same time.

So the reality is that these families are going to be hit hard by elimination of the EITC. And as I noted, charity groups are not in position to help them.

United Ways of Southeast Michigan, for instance, saw donations drop from \$45 million to \$37 million between 2009 and 2010.

I know the state's budget is in a difficult situation. But it is in these tough times that we must make sure we protect those who are least able to protect themselves. It's no coincidence that of the 10 states with the highest child poverty rate, eight have no EITC.

I'm fearful that ending the EITC will push Michigan into that category. Pushing thousands of children into poverty is not the kind of policy I want to be associated with, and I do not believe it is one that you should want to be connected to, either – particularly when our charity organizations such as Gleaners Food Bank are not prepared to take on the onslaught of needy who will be created if you vote to eliminate the Earned Income Tax Credit.

Thank you for your time.